

F. P. McFARLAND
TOOELE, UTAH
Phone-(801) 882-2174

S. K. HULLINGER
TOOELE, UTAH
Phone-(801) 882-5306

McFARLAND AND HULLINGER

MINING • ORE HAULING • CONTRACTING

PHONE: TOOELE (801) 882-0103

SALT LAKE CITY: (801) 363-1683

P.O. BOX 238

TOOELE, UTAH 8074

1995 JAN -3 PM 2:22

DEPT OF INTERIOR
BUREAU OF LAND MGMT

December 27, 1994

Margaret Wyatt
Pony Express Resource Area Manager
United States Department of the Interior
Bureau of Land Management
Salt Lake District Office
2370 South 2300 West
Salt Lake City, Utah 84119

Re: Small Mining Notice
Commencement of Mining
Notice # U-72294



Dear Ms. Wyatt:

The following are answers to the questions posed in your letter of December 20, 1994:

1. **What is the proposed starting date of your proposed operation?
Will it be continuous or seasonal?**
 - a. The proposed starting date is sometime between March 1 and July 1, 1995.
 - b. The operation will be continuous.
2. **Is the proposed area flagged? The entire area (i.e. any surface disturbance, including equipment parking, turnaround areas, mine plant, etc.) must be flagged so that Pony Express Resource Area personnel can locate and clear the site.**

The proposed area is not currently flagged, but we will flag it. Further, I have agreed with Cheryl Martinez to do a field visit to the actual mining site. This visit will be completed after the first of the year.

3. **Please provide a list of equipment to be used during your proposed mining activity.**
 - a. An air compressor and a track mounted drill.
 - b. Two front-end loaders.
 - c. One bulldozer.
 - d. Crushing equipment (primary, secondary, and tertiary crushing). This will include a vibrating grizzly feeder, jaw crusher, screening plant, cone crusher, fine screen (PEP screen), VSI crusher (vertical impact type), ancillary conveying equipment, and a radial stacking conveyor.

- e. Water truck and a 5,000 to 10,000 gallon water storage tank.
- f. One Motor grader.
- g. Electrical generating equipment (probably two 275-KW generators), and a van containing electrical switch gear.
- h. A small mobile office complex.
- i. A mobile storage building.

4. Will explosives be used? Will explosives be stored on site?

Explosives will be used, but will not be stored on site.

5. How many personnel will be working at the site?

Three to five employees will work at the site. Two trucks will also be used to deliver product to customers, but they will not be parked on site.

6. Please provide a sketch of your proposed mine plant with all facilities shown.

The photographs attached as Exhibit A, show a plant that we operate in Arizona and our operation and plant layout will be very similar. This plant is on valid mining claims.

7. What is the estimated volume of material to be removed?

There will be an estimated 70,000 to 100,000 tons removed per year (6,000 to 8,500 tons per month).

8. Please provide any available information on your required specifications for metallurgical and glass grade silica.

Metallurgical grade specifications: +92% SiO_2 crushed to -8 mesh.
Glass grade specifications: none at the present time.

9. Please provide evidence that this material meets your grade specifications for metallurgical and glass grade silica.

Exhibit B shows assays of the ore body.

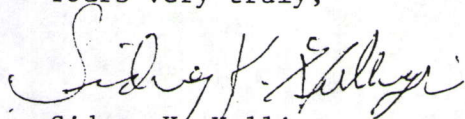
10. In addition to the mining claim map you have submitted, please provide a map showing the precise area(s) to be mined. What are the dimensions (length, width, and depth) of your proposed surface disturbance?

If after conducting the field investigation with Cheryl Martinez, you still desire a map showing the precise areas to be mined, we will be able to furnish this. However, the field investigation complete with photographs may be a much better record.

Exhibit C shows several photographs of the proposed area to be mined.

We appreciate the promptness of your reply to our Notice of Intent to Mine and your cooperative attitude in discussing this project. I want you to know that Cheryl Martinez was very helpful in discussing this proposed project, and I am looking forward to a field examination of this project with her. If you have any question, please call.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Sidney K. Hullinger". The signature is fluid and cursive, with the first name "Sidney" being more prominent.

Sidney K. Hullinger
General Partner

SKH/cjw

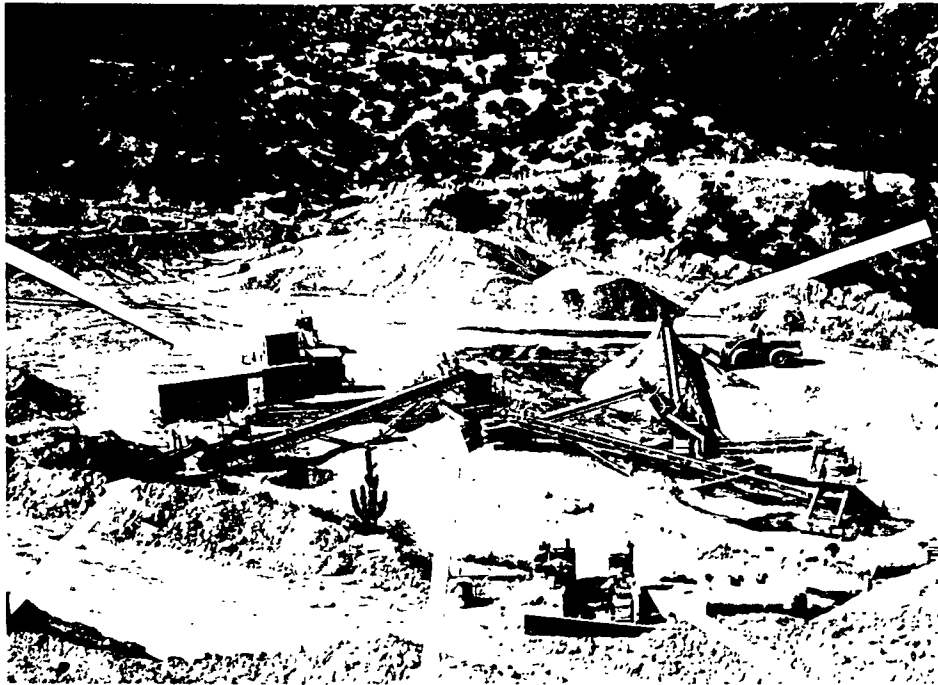
cc: Cheryl Martinez

EXHIBIT A

Crushing setup at a silica mine on BLM claims in
Pinal County, Arizona

Electrical
Switch
Van

Primary
Crusher
(Vibrating Feeder
and Jaw Crusher)



Stacking
Conveyor

Tertiary
Crushing
(VSI Crusher)

Secondary Crushing
(Screen and Cone Crusher)

Electrical
Generators



Same plant from a higher mine bench



A picture of our top mining level
Note: The track mounted drill
and air compressor

WESTERN ANALYTICAL, INC.
2417 CONSTITUTION BOULEVARD
SALT LAKE CITY, UTAH 84119-1225
PHONE (801) 973-9238 OR (800) 383-5924
FAX (801) 973-7635

CERTIFICATE OF ANALYSIS

June 4, 1993
P93-238
ACCT: No. 2032
YOUR PURCHASE ORDER: VERBAL

McFARLAND AND HULLINGER
MR. FET McFARLAND
P.O. BOX 238
TOOELE, UTAH 84074

Dear Mr. McFarland:

Transmitted herewith are the analytical data for the two (2) samples delivered to our laboratory for silica (SiO_2) and alumina (Al_2O_3) analysis.

SAMPLE IDENTIFICATION	SiO_2 (%)	Al_2O_3 (%)
10576	96.6	0.961
10577	93.7	0.204


E. H. PHILLIPS
Laboratory Director

Charges: \$68.00

EHP/tp

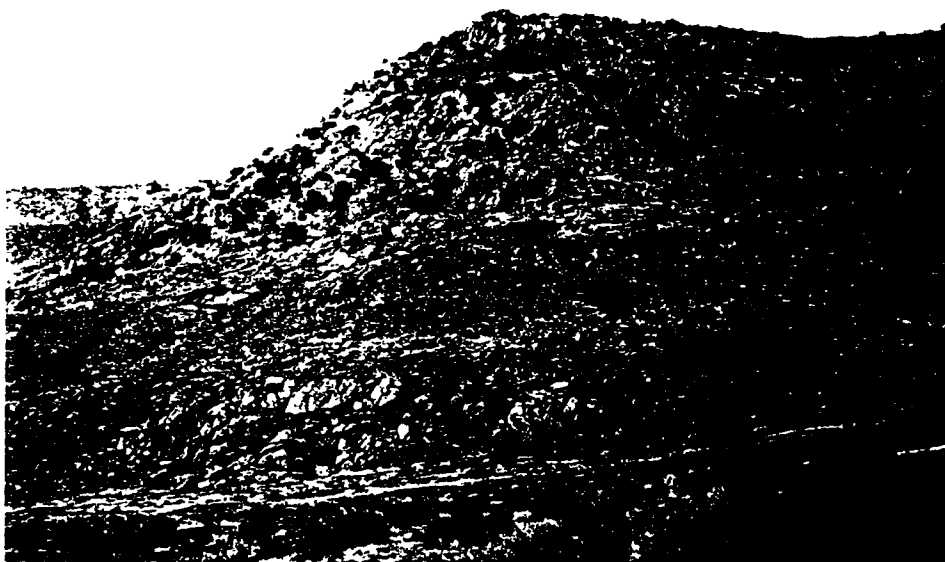
EXHIBIT C

PHOTO 1



MINING AREA
DIRECT PHOTO

PHOTO 2



MINING AREA
PHOTO FROM THE SOUTH

PHOTO 3



MINING AREA
PHOTO FROM FARTHER SOUTH THAN PHOTO 2

PHOTO 4



REFERENCE POINT IS LIME DEPOSIT AND EXISTING
ROAD NORTH OF PROPOSED MINING AREA